

BUDGET, FINANCE & INVESTMENT COMMITTEE

June 10, 2010

5:30 P.M.

Courthouse

MINUTES:

<u>Members Present:</u>	<u>Others Present:</u>	<u>Others Present:</u>	<u>Others Present:</u>
Comm. Bob Bullen	Ernest Burgess	Jay Woodruff	Tracy Hill
Comm. Joe Frank Jernigan	Comm. Anthony Johnson	Roger Hudson	Anthony Tuggle
Comm. Will Jordan	Teb Batey	Doug Demosi	Mike Nunley
Comm. Robert Peay, Jr.	Lisa Nolen	Bill Boner	Jeff Sandvig
Comm. Steve Sandlin	Sumner Bouldin	Brian Robertson	Sonya Stephenson
Comm. Doug Shafer	Melissa Stinson	Regina Nelson	Dan Goode
Comm. Joyce Ealy, Chrm.	Jay Brown	Philip Martin	Tommy Brown
			Elaine Short

Chairman Ealy presided and called the meeting to order at 5:30 P.M. with all members being present.

APPROVE MINUTES:

The minutes of the June 1, 2010 Budget Committee meeting were presented for approval.

Comm. Shafer moved, seconded by Comm. Jordan to approve the minutes as presented. The motion passed unanimously by acclamation.

INVESTMENT REPORT:

Mr. Teb Batey, Trustee presented the monthly Investment Report for the use and information of the committee advising that there had been no investment transactions during the month. The LGIP interest rate for the past month was .26%, which was an increase of three basis points.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the monthly Investment Report as presented. The motion passed unanimously by acclamation.

FUND CONDITION REPORT:

Mrs. Lisa Nolen, Finance Director, presented the Fund Condition Report for the use and information of the committee advising that the Development Tax collections for the month were \$68,250. The year-to-date collections totaled \$1,257,750. This compared to the same period last year when the May, 2009 collections totaled \$103,500, and the year-to-date collections were \$2,561,250.

The committee reviewed the funds cash balances, which totaled \$163,720,107 with operating funds being \$145,221,502 and borrowed funds being \$18,498,605. This compared to the same month last year when the total cash balances were \$188,552,594 with operating funds being \$132,343,022 and borrowed funds being \$56,209,572.

Comm. Jernigan moved, seconded by Comm. Jordan to approve the monthly Fund Condition Report as presented. The motion passed unanimously by acclamation.

Comm. Bullen stated that usually there were some departments that did not spend all of their budgets. He asked the Finance Director how she viewed that this year.

She stated that she was estimating that over \$1 million would be turned over to the ending fund balance at the end of the year from departments not spending all of their budgets.

RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF RUTHERFORD COUNTY
AUTHORIZING THE ISSUANCE OF UP TO \$22,718,000 OF RECOVERY ZONE FACILITY
REVENUE BONDS:

Chairman Ealy reminded the committee that the County Commission adopted a Resolution in February designating Rutherford County as a recovery zone. In March, 2010, the County Commission adopted a

Resolution authorizing the issuance by the Industrial Development Board of Rutherford County of Recovery Zone revenue bonds in the amount of \$12,718,000 to assist MidTMD, LLC in financing a portion of the cost of construction and equipping of a medical office building to be located on the Middle Tennessee Medical Center campus, adjacent to the hospital located at 1700 Medical Center Parkway.

Chairman Ealy stated that the committee was informed at the time that if all of the money was not allocated it would go back to the state, and the state could reallocate the money to other projects. As a result of that Mr. Bouldin would be requesting approval on behalf of the Industrial Development Board to amend the amount previously approved from \$12,718,000 to \$22,718,000.

Mr. Bouldin advised that was correct and that the Commissioner of the Tennessee Department of Economic and Community Development had allocated an additional \$10,000,000 of recovery zone facility bonds. He requested approval to amend the not to exceed amount from \$12,718,000 to \$22,718,000.

Comm. Sandlin asked if there were no other applicants for the recovery zone facility bonds.

Mr. Bouldin advised that due to the timing, it was too late for anyone else to apply for the funds. He stated that the Commissioner allocated the unused volume cap that came back to the state.

Following discussion, Comm. Sandlin moved, seconded by Comm. Jernigan to forward a Resolution to the County Commission authorizing the issuance of up to \$22,718,000 of Recovery Zone Facility Revenue Bonds by the Industrial Development Board of Rutherford County to assist MidTMD, LLC in financing a portion of the construction and equipping of a medical office building to be located on the Middle Tennessee Medical Center campus, adjacent to the hospital located at 1700 Medical Center Parkway. The motion passed unanimously by roll call vote.

INSURANCE REPORT:

Mrs. Sonya Stephenson, Human Resource Director, was present to introduce Mrs. Melissa Stinson, the new Insurance Director, to the committee. Mrs. Stinson comes to Rutherford County from Health Cost Solutions where she worked for six years. She started there as the Director of Claims, and eventually was promoted to president. Most recently she has done consulting work. She and her husband have lived in Rutherford County for fourteen years.

Mrs. Stinson presented the monthly financial Insurance Report for the use and information of the committee advising that the medical costs per employee per month was \$630.66 compared to \$780.25 for the same period last year. The average cost per employee for the month of May was \$680.90. When the experience for medical, vision, dental, and CareHere were combined, the year-to-date average was \$712.79 per employee compared to \$705.13 for the same period last year. Overall, the plan was trending at 1.1% at the end of May.

Regarding the On-the-Job Injury performance, the year-to-date claims paid at the end of May totaled \$857,818 or 68.48% of last year's claims. Mrs. Stinson advised that in May of last year an \$828,000 reduction was made to the reserve. She advised that another actuarial review was underway, and she expected to see a positive change in the reserve this year, as well.

Following review, Comm. Sandlin moved, seconded by Comm. Peay to approve the monthly financial Insurance Report as presented. The motion passed unanimously by acclamation.

RECOMMENDATION TO AWARD LIFE INSURANCE CARRIER TO THE STANDARD:

Chairman Ealy advised that a recommendation had been received from the Insurance Committee to award the life insurance carrier for employees' life insurance to The Standard effective January 1, 2011.

Mrs. Sonya Stephenson introduced Mr. Jay Brown from Cowan Insurance, who was the broker for The Standard and Mr. Jay Woodruff.

Mrs. Stephenson advised that with the quote from The Standard, the guaranteed issue amount increased from \$150,000 to \$300,000, which was a benefit to the county. Mrs. Stephenson advised that with the current carrier, spouse insurance would terminate at age 70, but with The Standard, it would not. The basic life rate went from \$.115 per \$1,000 of basic life to \$.105 per \$1,000 of coverage. The basic accidental death and dismemberment went from \$.02 to \$.015. In all areas, The Standard rates were less than The Hartford, the current carrier, except for dependent supplemental life under age 30.

Mrs. Stephenson advised that The Standard has a program called "The Line of Duty", which is for public service employees. If any employee of the Sheriff's Department, Correctional Work Center, Emergency Management, Juvenile Detention, and Ambulance Service died in the line of duty, the benefit paid would double.

The Standard also provided an experience rating refund.

The Standard also quoted a reduction in rates from the current rates, which would provide the ability to increase the amount of life insurance offered to employees from \$30,000 to \$35,000.

The Finance Director advised that currently the county was paying \$57.60 per employee annually for \$30,000 of life coverage. For the same amount of coverage, The Standard quoted a rate of \$43.20 per employee annually. However, if the life coverage was increased from \$30,000 to \$35,000 for each employee, the annual rate was \$48.30 per employee, which was still less than what was currently being paid with The Hartford.

Mrs. Nolen advised that the recommendation from the Insurance Committee was to approve The Standard as the life insurance carrier for employees' life insurance coverage effective January 1, 2011 and to increase the amount of basic coverage from \$30,000 to \$35,000 for each employee.

Comm. Bullen moved, seconded by Comm. Shafer to authorize the County Mayor and other appropriate officials of Rutherford County to execute all documentation necessary to award the employee life insurance carrier to The Standard effective January 1, 2011, increasing the coverage from \$30,000 to \$35,000 for each employee at a cost of \$48.30 per employee annually. The motion passed by roll call vote with Comm. Jernigan voting "pass".

GENERAL FUND BUDGET AMENDMENTS

REVENUE ADJUSTMENTS, STONES RIVER GREENWAY, CHAMBER OF COMMERCE, AND TRUSTEE'S COMMISSION:

The Finance Director requested approval of adjustments to the revenue line items for the 2009-10 General Fund advising that an increase of approximately \$685,400 was being estimated for county property taxes as of June 30, 2010. She explained that one of the reasons for an improvement to the county property taxes would be that during the budget process last year, the assessments provided by the Assessor were reduced because of tornado damage not knowing what the effect would be. She advised that this increase would help to offset an expected \$970,000 reduction from the state for contracted prisoner board. She explained that increases from excess fees from the Circuit Court Clerk and the Trustee would offset decreases in excess fees from the County Clerk and the Register of Deeds. In total, after taking required reserves into account, it was estimated that the fund balance in the General Fund would be reduced by \$2,870,886. Due to increases to the Hotel/Motel Tax, the appropriation to Account 101-56700-316, for the Stones River Greenway needed to be increased by \$6,000, and the appropriation for Account 101-58110-316, Tourism, for the Chamber of Commerce needed to be increased by \$18,000. Account 101-58900-510, Trustee's Commission, needed to be increased by \$15,000.

Following review, Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2009-10 revenue adjustments for the General Fund as presented with a net decrease to the Undesignated Fund Balance of \$2,870,886 and increasing Account 101-56700-316, Parks & Fair Boards, by \$6,000 for the Stones River Greenway contribution, increasing Account 101-58110-316, Tourism, by \$18,000 for the contribution to the Chamber of Commerce, and increasing Account 101-58900-510, Trustee's Commission, by \$15,000. The motion passed unanimously by roll call vote.

INSURANCE DEPARTMENT:

The Finance Director requested approval of the following budget amendment for the Insurance Department to provide funding for the Insurance Director salary for the rest of the current fiscal year. The shortage was caused by paying out the prior director's accumulated annual leave:

Increase Revenue:	101-49800 – Transfers In -	\$2,050
Increase Expend.:	101-51920-105 – Supervisor/Director -	\$1,650
	101-51920-201 – Social Security -	105
	101-51920-204 – State Retirement -	215
	101-51920-212 – Employer Medicare -	75
	101-51920-209 – Disability Insurance -	5

Comm. Peay moved, seconded by Comm. Jordan to approve the budget amendment for the Insurance Department as requested increasing Account 101-49800, Transfers In, by \$2,050; and increasing Accounts 101-51920-105, Supervisor/Director, by \$1,650, Account 101-51920-201, Social Security, by \$105, increasing Account 101-51920-204, State Retirement, by \$215, increasing Account 101-51920-212, Employer Medicare, by \$75, and increasing Account 101-51920-209, Disability Insurance, by \$5. The motion passed unanimously by roll call vote.

COUNTY ATTORNEY:

Mr. Roger Hudson, County Attorney's Office, was present to request approval of the following budget amendments to pay the accumulated leave for an employee who has left employment and to provide funding to fill the vacant secretary position beginning June 14 at a pay grade 4, step 3:

From:	101-51400-187 – Overtime Pay -	\$1,000
To:	101-51400-161 – Secretary -	\$1,000
From:	101-51400-336 – Maintenance/Repair Equipment -	\$ 255
	101-51400-355 – Travel -	645
To:	101-51400-161 – Secretary -	\$ 747
	101-51400-201 – Social Security -	47
	101-51400-204 – State Retirement -	95
	101-51400-212 – Employer Medicare -	11

Comm. Sandlin moved, seconded by Comm. Jordan to approve the budget amendments for the County Attorney's Office as requested transferring \$1,000 from Account 101-51400-187, Overtime Pay, to Account 101-51400-161 – Secretary; and transferring \$255 from Account 101-51400-336, Maintenance & Repair of Equipment, and \$645 from Account 101-51400-355, Travel, with \$747 to Account 101-51400-161, Secretary, \$47 to Account 101-51400-201, Social Security, \$95 to Account 101-51400-204, State Retirement, and \$11 to Account 101-51400-212, Employer Medicare. The motion passed unanimously by roll call vote.

PLANNING:

Mr. Doug Demosi, Planning Director, requested approval of the following budget transfer to provide funding to purchase four Apollo traffic counters to monitor the volume of traffic along with the related software. He advised the equipment would also allow for the type of traffic to be classified as to cars or other vehicles. He advised that the equipment would also allow for identifying future road projects such as improvements that needed to be made in the county. The equipment would also help in rezoning situations:

From:	101-51720-161 – Secretary -	\$3,500
To:	101-51720-499 – Other Supplies/Materials -	\$3,500

Comm. Sandlin moved, seconded by Comm. Jordan to approve the budget transfer for the Planning Department as requested transferring \$3,500 from Account 101-51720-161, Secretary, to Account 101-51720-499, Other Supplies & Materials to purchase four Apollo traffic counters with the related software. The motion passed unanimously by roll call vote.

The Finance Director requested approval of the following budget amendment to comply with GASB 54 and closing out the Development Tax Fund. Beginning June 1, 2010, the county will account for the development tax proceeds in both the General Fund and the Debt Service Fund with one half collected distributed to each fund. This amendment accounts for the portion estimated to be collected in June, 2010 and appropriates \$30,000 to the estimated expenditures related to the planning study that was previously appropriated in the Development Tax Fund:

Increase Revenue:	101-40285 – Development Tax -	\$30,000
Increase Expend.:	101-51720-308 – Consultants -	\$30,000

Comm. Bullen moved, seconded by Comm. Jernigan to approve the budget amendment for the Planning Department as requested increasing Account 101-40285, Development Tax, by \$30,000 and increasing Account 101-51720-308, Consultants, by \$30,000 for the planning study. The motion passed by roll call vote with Comm. Peay being out of the room at the time.

Mr. Demosi announced that regarding the comprehensive plan, the next meeting of the Steering Committee would be June 21, 2010 at the School Board Central Office on Southpark Boulevard beginning at 6:00 P.M.

ASSESSOR OR PROPERTY:

Mr. Bill Boner, Assessor of Property, was present to request approval of the following budget transfers to provide funding for several employees to attend in-service training classes for the 2009-10 fiscal year:

From:	101-52300-140 – Salary Supplements -	\$ 900
	101-52300-169 – Part Time Personnel -	2,271
	101-52300-186 – Longevity Pay -	475
	101-52300-187 – Overtime Pay -	476
To:	101-52300-196 – In-Service Training -	\$4,122

Comm. Jernigan moved, seconded by Comm. Bullen to approve the budget transfer for the Assessor of Property transferring \$900 from Account 101-52300-140, Salary Supplements, \$2,271 from Account 101-52300-169, Part Time Personnel, \$475 from Account 101-52300-186, Longevity Pay, and \$476 from Account 101-52300-187, Overtime Pay, with \$4,122 to Account 101-52300-196, In-Service Training. The motion passed by roll call vote with Comm. Peay being out of the room, and Comm. Shafer abstaining.

BOARD OF EQUALIZATION:

Mr. Boner next requested approval of the following budget transfers to provide sufficient funding to pay the Board of Equalization for additional meetings:

From:	101-51210-308 – Consultants -	\$5,815
To:	101-51210-191 – Board/Committee Members Fees -	\$5,400
	101-51210-201 – Social Security -	335
	101-51210-212 – Employer Medicare -	80

Comm. Jordan moved, seconded by Comm. Sandlin to approve the budget transfers for the Board of Equalization with \$5,815 from Account 101-51210-308, Consultants, and \$5,400 to Account 101-51210-191, Board & Committee Members Fees, \$335 to Account 101-51210-201, Social Security, and \$80 to Account 101-51210-212, Employer Medicare. The motion passed by roll call vote with Comm. Peay being out of the room at the time.

GEOGRAPHIC INFORMATION SYSTEMS:

Mr. Brian Robertson, Information Technology Director, requested approval of the following budget transfer to provide additional funding for the Part Time Personnel Account to allow them to continue some unanticipated projects including flood damage assessment:

From: 101-51760-187 – Overtime Pay -	\$1,000
To: 101-51760-169 – Part Time Personnel -	\$1,000

Comm. Jordan moved, seconded by Comm. Sandlin to approve the budget transfer for the Geographic Information Systems Department as requested transferring \$1,000 from Account 101-51760-187 – Overtime Pay to Account 101-51760-169 – Part Time Personnel. The motion passed by roll call vote with Comm. Peay being out of the room at the time.

INFORMATION TECHNOLOGY:

Mr. Robertson requested approval of the following budget transfer to provide additional funding for the Communications Account due to temporary redundancies in data lines for late-year upgrades of circuits at the Old Armory and Lane Agri-Park, and the addition of Coin Building phone lines:

From: 101-52600-187 – Overtime Pay -	\$4,000
101-52600-411 – Data Processing Supplies -	4,000
To: 101-52600-307 – Communications -	\$8,000

Comm. Bullen moved, seconded by Comm. Jernigan to approve the budget transfer for the Information Technology Department transferring \$4,000 from Account 101-52600-187, Overtime Pay, and \$4,000 from Account 101-52600-411, Data Processing Supplies with \$8,000 to Account 101-52600-307, Communications. The motion passed by roll call vote with Comm. Peay voting “pass”.

HEALTH DEPARTMENT:

The Finance Director requested approval of the following budget amendment for the Health Department to provide sufficient funding for the Utilities Account to complete the Fiscal Year. The Health Department Accounts were reviewed, and there were not sufficient balances to cover the amount within the budget:

From: 101-39000 – Undesignated Fund Balance -	\$10,000
To: 101-55110-452 – Utilities -	\$10,000

Comm. Jordan moved, seconded by Comm. Sandlin to approve the budget amendment for the Health Department as requested amending \$10,000 from Account 101-39000, Undesignated Fund Balance, to Account 101-55110-452, Utilities. The motion passed unanimously by roll call vote.

SHERIFF’S DEPARTMENT & JAIL:

Chief Regina Nelson was present to request approval of the following budget transfers and amendments to cover estimated custodial supply expenses, to cover estimated printing of forms, etc., to recognize a \$24,000 contribution from the Tennessee Emergency Communications Board to be used for training for the Communications Division, to cover the purchase of office furniture, and to cover estimated Data Processing Supply expenses, and to transfer funds within the budget to purchase a commercial lawnmower:

From: 101-54210-452 – Jail/Utilities -	\$ 600
To: 101-54210-410 – Jail/Custodial Supplies -	\$ 600
From: 101-54210-437 – Jail/Periodicals -	\$ 500
To: 101-54210-349 – Printing, Stationery & Forms -	\$ 500

Increase Revenue:	101-48130 – Contributions -	\$24,000
Increase Expend.:	101-54110-196 – Sheriff/In-Service Trng -	\$24,000
From:	101-54110-340 – Sheriff/Medical/Dental Services -	\$ 3,600
To:	101-54110-435 – Sheriff/Office Supplies -	\$ 3,600
From:	101-54210-334 – Jail/Maintenance Agreements -	\$ 4,500
To:	101-54110-411 – Sheriff/Data Processing Supplies -	\$ 4,500
From:	101-54210-452 – Jail/Utilities -	\$ 5,900
To:	101-54210-717 – Jail/Maintenance Equipment -	\$ 5,900

Comm. Jernigan moved, seconded by Comm. Shafer to approve the budget transfers for the Sheriff's Department as requested transferring \$600 from Account 101-54210-542, Jail/Utilities, to Account 101-54210-410, Jail/Custodial Supplies; \$500 from Account 101-54210-437, Jail/Periodicals, to Account 101-54210-349, Printing, Stationery & Forms; Increasing Revenue Account 101-48130, Contributions, by \$24,000 and Increasing Account 101-54110-196, Sheriff's Department/In-Service Training by \$24,000; transferring \$3,600 from Account 101-54110-340, Sheriff's Dept./Medical & Dental Services, to Account 101-54110-435, Sheriff's Dept./Office Supplies; \$4,500 from Account 101-54210-334, Jail/Maintenance Agreements, to Account 101-54110-411, Sheriff's Dept./Data Processing Supplies; and transferring \$5,900 from Account 101-54210-452, Jail/Utilities, to Account 101-54210-717, Jail/Maintenance Equipment. The motion passed unanimously by roll call vote.

The Finance Director asked Chief Deputy Nelson if she thought that the \$24,000 contribution from the E-911 Board would be spent on In-Service Training before the end of the current Fiscal Year.

Chief Deputy Nelson advised that it would not be spent before the end of the year.

The Finance Director asked approval to include the \$24,000 in the 2010-11 budget for the Sheriff's Department In-Service Training so that the Sheriff's Department would not have to request an amendment for the funds in August.

Chief Deputy Nelson agreed that the money be included in the 2010-11 budget.

APPROVE 2010 BYRNE MEMORIAL JUSTICE GRANT & MEMORANDUM OF UNDERSTANDING WITH CITY OF MURFREESBORO:

Lt. Philip Martin requested approval of the annual Byrne award from the Edward Byrne Memorial Justice Assistance Grant with the City of Murfreesboro. The total amount of the grant was \$93,049 with Rutherford County and the City of Murfreesboro sharing the funds equally of \$46,524.50. Lt. Martin advised that the Sheriff's Department was currently researching some areas that needed improving and enhancing so that the Sheriff could make a determination as to where the money would be spent. No local matching funds were required.

Lt. Martin also requested approval of a Memorandum of Understanding with the City of Murfreesboro with Maj. Lester overseeing the grant. The Murfreesboro City Council has already approved the grant.

Comm. Shafer moved, seconded by Comm. Peay to authorize the County Mayor and other appropriate officials of Rutherford County to submit the 2010 Edward Byrne Memorial Justice Grant Application with the City of Murfreesboro in the total amount of \$93,049; to authorize the County Mayor and other appropriate officials of Rutherford County to execute the Memorandum of Understanding with the City of Murfreesboro with the City of Murfreesboro overseeing the grant and with the two entities sharing the grant proceeds equally at an amount of \$46,524.50. Additionally, that the County Mayor be authorized to accept the grant subject to it being awarded. The motion passed unanimously by roll call vote.

APPROVE 2010 COPS HIRING GRANT APPLICATION:

Lt. Martin next requested approval to submit a grant application to the Office of Criminal Justice Programs for the 2010 COPS Hiring Grant, which is 100% federally funded. Lt. Martin explained that last year the Sheriff's Department had the opportunity to apply for the COPS Grant to hire officers, but was not selected. This year Congress has approved \$298 million to start the 2010 COPS Hiring Program. He advised that the Sheriff's Department would like to apply for the grant again requesting 15 officers. If approved, the grant would cover the salaries and benefits for the officers for three years at 100%. The only stipulation was that at the end of the three years, the officer positions must be maintained by the county for a minimum period of 12 months. Lt. Martin estimated that it would take \$2.1 million to cover the salaries and benefits for the three year period. Something less than 15 officers could be awarded.

Lt. Martin requested approval to apply for the 2010 Three-Year COPS Hiring Program for 15 officers at an approximate amount of \$2.1 million, which would be 100% federally funded. He advised that once the application process was complete he would come back through the committee process with more firm numbers. He advised that the deadline to apply was June 16.

Comm. Jordan stated that if the grant application was approved, it could always be rejected before accepting. He asked if the officers could be phased in instead of hiring them all at the same time.

Lt. Martin explained that it would probably be better to phase in the officer positions, because it would create a heavy demand on the training staff. He stated it would also take time to interview and select the candidates for the positions. He stated that the same was true for obtaining academy dates, and that sometimes they could not always get academy dates when they were requested.

Comm. Sandlin asked if the cost for uniforms, supplies and equipment would be a county cost.

Lt. Martin advised that the grant would not cover the cost of uniforms, supplies and equipment, and that would be a county cost. He advised that the officers would not need vehicles right away.

Comm. Jordan moved, seconded by Comm. Peay to authorize the County Mayor and other appropriate officials of Rutherford County to submit an application for the three-year 2010 COPS Hiring Grant to hire 15 officers to cover the cost of the salaries and benefits at 100% at an approximate cost of \$2.1 million. The motion passed unanimously by roll call vote.

JUVENILE DETENTION:

Finance Director Lisa Nolen requested approval of the following budget transfer for the Juvenile Detention Center to provide funding to cover a slight shortage in the Office Supply Account and to pay the accumulated compensatory time for an employee who has terminated:

From: 101-54240-499 – Other Supplies/Materials -	\$63
To: 101-54240-435 – Office Supplies -	\$13
101-54240-187 – Overtime Pay -	50

Comm. Jordan moved, seconded by Comm. Shafer to approve the budget transfer for the Juvenile Detention Center transferring \$63 from Account 101-54240-499, Other Supplies & Materials, with \$13 to Account 101-54240-435, Office Supplies, and \$50 to Account 101-54240-187, Overtime Pay. The motion passed unanimously by roll call vote.

EMERGENCY MANAGEMENT:

The Finance Director advised that the County Commission has approved a change to the Employee Handbook which allowed that in the event of a disaster, exempt employees may receive compensation for excessive hours (at straight pay), with the approval of the County Mayor or elected official. Mrs. Nolen requested approval of the following budget amendment to appropriate sufficient funds to cover the additional compensation for the exempt employees:

From:	101-39000 – Undesignated Fund Balance -	\$5,455
To:	101-54430-187 – Emergency Management/Overtime Pay -	\$4,520
	101-54430-201 – Emergency Management/Social Security -	285
	101-54430-204 – Emergency Management/State Retirement -	580
	101-54430-212 – Emergency Management/Employer Medicare -	70

The Finance Director advised that since the flooding in Rutherford County had been declared a disaster, the county would be requesting 75% reimbursement from FEMA for the overtime paid.

Mayor Burgess advised that Rutherford County should get an additional 12.5% from the state.

Comm. Jordan moved, seconded by Comm. Jernigan to approve the budget amendment for the Emergency Management Department as requested with \$5,455 from Account 101-39000, Undesignated Fund Balance, with \$4,520 to Account 101-54430-187, Overtime Pay, \$285 to Account 101-54430-201, Social Security, \$580 to Account 101-54430-204, State Retirement, and \$70 to Account 101-54430-212, Employer Medicare. The motion passed unanimously by roll call vote.

PET ADOPTON & WELFARE SERVICES:

Ms. Tracy Hill, PAWS Director, was present to request approval for the following budget amendment to utilize revenue received from contributions for the PAWS Department to provide additional funding for the Veterinary Services Account to complete the remainder of the Fiscal Year:

Increase Revenue:	101-44570 – Contributions/Gifts -	\$2,500
Increase Expend.:	101-55120-357 – Veterinary Services -	\$2,500

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget amendment for the PAWS Department increasing revenue Account 101-44570, Contributions/Gifts by \$2,500 and increasing Account 101-55120-357, Veterinary Services, by \$2,500. The motion passed unanimously by roll call vote.

AGRICULTURE EXTENSION:

Mr. Anthony Tuggle, Agriculture Extension Director, requested approval of the following budget transfers to provide sufficient funding for the Board & Committee members to complete the Fiscal Year and to provide funding to pay for the back flow inspection on the new buildings:

From:	101-57100-309 – Contracts w/Government Agencies -	\$ 1,541
To:	101-57100-191 – Board & Committee Members Fees -	\$ 500
	101-57100-201 – Social Security -	31
	101-57100-212 – Employer Medicare -	10
	101-57100-399 – Other Contracted Services -	1,000

Comm. Jernigan moved, seconded by Comm. Peay to approve the budget transfers to the Agriculture Extension Department transferring \$1,541 from Account 101-57100-309, Contracts w/Government Agencies, with \$500 to Account 101-57100-191, Board & Committee Members Fees, \$31 to Account 101-57100-201, Social Security, \$10 to Account 101-57100-212, Employer Medicare, and \$1,000 to Account 101-57100-399, Other Contracted Services. The motion passed unanimously by roll call vote.

COUNTY GARAGE:

The Finance Director requested approval of the following budget transfer to provide sufficient funding for the Vehicle Parts Account to complete the Fiscal Year:

From:	101-58400-418 – Equipment/Machinery Parts -	\$1,500
To:	101-58400-453 – Vehicle Parts -	\$1,500

Comm. Bullen moved, seconded by Comm. Jernigan to approve the budget transfer for the County Garage transferring \$1,500 from Account 101-58400-418, Equipment & Machinery Parts, to Account 101-58400-453, Vehicle Parts. The motion passed unanimously by roll call vote.

EMPLOYEE INSURANCE:

The Finance Director requested approval of the following budget amendment to provide sufficient funding to complete the Fiscal Year in the Circuit Court Judges, Juvenile Court, Storm Water, GIS, Reappraisal and Sheriff's Department Employee Insurance Accounts based on the actual participation in the health insurance plan:

From:	101-58600-205 – Employee Benefits/Employee Insurance -	\$10,367
To:	101-53110-205 – Circuit Court Judge/Employee Insurance -	\$ 3,032
	101-53500-205 – Juvenile Court/Employee Insurance -	1,356
	101-57800-205 – Storm Water/Employee Insurance -	553
	101-51760-205 – GIS/Employee Insurance -	440
	101-52310-205 – Reappraisal, Employee Insurance -	781
	101-54110-205 – Sheriff's Dept./Employee Insurance -	4,205

Comm. Bullen moved, seconded by Comm. Jordan to approve the budget amendment as requested to provide sufficient funds for the Employee Insurance Accounts with \$10,367 from Account 101-58600-205, Employee Benefits/Employee Insurance; and \$3,032 to Account 101-53110-205, Circuit Court Judge/Employee Insurance, \$1,356 to Account 101-53500-205, Juvenile Court/Employee Insurance, \$553 to Account 101-57800-205, Storm Water/Employee Insurance, \$440 to Account 101-51760-205, GIS/Employee Insurance, \$781 to Account 101-52310-205, Reappraisal/Employee Insurance, and \$4,205 to Account 101-54110-205, Sheriff's Department/Employee Insurance. The motion passed unanimously by roll call vote.

UNEMPLOYMENT COMPENSATION:

The Finance Director requested approval of the following budget amendment to provide sufficient funding for the Unemployment Compensation Account to complete the Fiscal Year:

From:	101-39000 – Undesignated Fund Balance -	\$3,000
To:	101-58600-210 – Unemployment Compensation -	\$3,000

Comm. Jernigan moved, seconded by Comm. Bullen to approve the budget amendment for the Unemployment Compensation to complete the Fiscal Year amending \$3,000 from Account 101-39000, Undesignated Fund Balance, to Account 101-58600-210, Unemployment Compensation. The motion passed unanimously by roll call vote.

AMBULANCE SERVICE BUDGET AMENDMENTS

REVENUE ADJUSTMENTS & TRUSTEE'S COMMISSION:

The Finance Director requested approval of 2009-10 revenue adjustments for the Ambulance Service Fund with a net increase to the Undesignated Fund Balance of \$382,270, and an increase to Account 118-55130-510, Trustee's Commission of \$5,000.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2009-10 revenue adjustments for the Ambulance Service Fund with a net increase to the Undesignated Fund Balance of \$382,270 and increasing Account 118-55130-510, Trustee's Commission, by \$5,000. The motion passed unanimously by roll call vote.

APPROVE GRANT WITH CHRISTY-HOUSTON FOUNDATION:

Mayor Burgess advised of a grant award from the Christy-Houston Foundation in the amount of \$300,000 for the purchase of four 2007 demonstrator ambulances, which were still under warranty.

Mayor Burgess requested approval of the committee to accept the grant and to approve the following budget amendment recognizing the grant proceeds and appropriating the grant proceeds to purchase the ambulances:

Increase Revenue:	118-48130 – Contributions -	\$300,000
Increase Expend.:	118-55130-718 – Motor Vehicles -	\$300,000

Comm. Peay moved, seconded by Comm. Shafer to authorize the County Mayor to accept the grant award of \$300,000 from the Christy-Houston Foundation for the purpose of purchasing four 2007 ambulances; and additionally, to approve the budget amendment increasing Account 118-48130, Contributions, by \$300,000 and increasing Account 118-55130-718, Motor Vehicles, by \$300,000. The motion passed unanimously by roll call vote.

Mr. Mike Nunley, Ambulance Service Director, was present to request approval of the following budget amendments to replace many handheld radios that were damaged and/or destroyed in the recent floods at a total cost of \$4,954; to replace four Ideal Responder Chairs at a cost of \$4,512; to provide funding for the EMS Narrowbanding, which is mandated by the FCC; to provide funding to add Firenet to the dispatch consoles per the Rutherford County Fire Coordinator; to provide funding to replace a computer that is used to program the radios; and to provide additional funding for the Utilities Account to complete the Fiscal Year:

From:	118-55130-307 – Communications -	\$15,466
To:	118-55130-499 – Other Supplies/Materials -	14,066
	118-55130-709 – Data Processing Equipment -	1,400
From:	118-55130-599 – Other Charges -	\$ 2,000
	118-55130-322 – Evaluation & Testing -	2,000
	118-55130-451 – Uniforms -	2,000
To:	118-55130-452 – Utilities -	\$ 6,000

Comm. Peay questioned the cost of the Ideal Responder Chairs at a cost of \$1,128.00 each.

Mr. Nunley advised that the chairs were ergonomic and were especially made for dispatchers.

Mr. Tommy Brown explained that the chairs were heavy duty chairs and were made to be used 24 hours per day. He stated that the chairs were not the standard office chair and were designed to alleviate back pain.

Mayor Burgess stated that he believed the primary purpose for these types of chairs were for the health & safety of the individuals sitting in the chairs so that they would not develop physical problems.

Comm. Sandlin moved, seconded by Comm. Bullen to approve the budget amendments for the Ambulance Service Fund as requested transferring \$15,466 from Account 118-55130-307, Communications, with \$14,044 to Account 118-55130-499, Other Supplies and Materials and \$1,400 to Account 118-55130-709, Data Processing Equipment; and additionally, to transfer \$2,000 from Account 118-55130-599, Other Charges, \$2,000 from Account 118-55130-322, Evaluation & Testing, and \$2,000 from Account 118-55130-451, Uniforms, with \$6,000 to Account 118-55130-452, Utilities. The motion passed by roll call vote with Comm. Peay voting “no”.

SOLID WASTE/SANITATION FUND BUDGET AMENDMENTS

REVENUE ADJUSTMENTS:

The Finance Director requested approval of 2009-10 revenue adjustments for the Solid Waste/Sanitation Fund with a net increase to the Undesignated Fund Balance of \$230,142. She advised that the majority of the increase to the revenues was due to receiving additional tipping fees.

Comm. Jordan moved, seconded by Comm. Peay to approve the 2009-10 revenue adjustments for the Solid Waste/Sanitation Fund resulting in a net increase to the Undesignated Fund Balance of \$230,142. The motion passed unanimously by roll call vote.

CONVENIENCE CENTERS:

The Finance Director requested approval of the following budget amendment to provide funding necessary for additional costs associated with the May, 2010 floods. The estimated costs were \$200,000 for dump trucks, \$50,000 to the City of Murfreesboro for the knuckle boom trucks, and \$40,000 for temporary site and flood debris pick up. The Finance Director advised that she did not believe all of the money would be needed:

From: 116-39000 – Undesignated Fund Balance -	\$290,000
To: 116-55732-312 – Contracts w/Private Agencies -	\$200,000
116-55732-309 – Contracts w/Government Agencies -	90,000

Mayor Burgess advised that the costs would be reimbursed. He stated that the actual costs would probably not exceed \$50,000 in total. He stated that the amount of debris was far less than anticipated. He stated that the work had been completed.

The Finance Director explained that whatever was not spent would roll into the fund balance at the end of the year.

Comm. Shafer asked if the amount of the amendment could be adjusted down to about \$75,000.

The Finance Director stated that she did not know the exact amount of the bills at this time.

Comm. Bullen moved, seconded by Comm. Jordan to approve the budget amendment for the Convenience Centers amending \$290,000 from Account 116-39000, Undesignated Fund Balance, with \$200,000 to Account 116-55732-312, Contracts with Private Agencies, and \$90,000 to Account 116-55732-309, Contracts with Government Agencies. The motion passed by roll call vote with Commissioners Bullen, Jernigan, Jordan, and Ealy voting “yes”; and Commissioners Peay, Sandlin, and Shafer voting “no”.

HIGHWAY FUND BUDGET AMENDMENTS:

The Finance Director requested approval of 2009-10 revenue adjustments for the Highway Fund with a net decrease to the Undesignated Fund Balance of \$475,416. The largest decreases were for Wheel Tax, Mineral Severance Tax, the State Bridge Program, and the State Road Program.

Comm. Peay moved, seconded by Comm. Bullen to approve the 2009-10 revenue adjustments for the Highway Fund with a net reduction to the Undesignated Fund Balance of \$475,416. The motion passed by roll call vote with Comm. Jordan being out of the room at the time.

The committee recessed for five minutes at 6:45 P.M.

GENERAL PURPOSE SCHOOL FUND BUDGET AMENDMENTS

Chairman Ealy reminded the committee that they had seen and heard these amendments before, because the Health & Education Committee acted on them at the joint meeting on May 25, 2010. The Health & Education Committee approved the amendments. Chairman Ealy asked Mr. Sandvig to review the recommended motions.

CAREER LADDER & EXTENDED CONTRACT:

Mr. Sandvig requested approval to amend \$114,070 from Career Ladder revenue, account 46610, and to reduce a total of \$114,070 in related expenditures for Career Ladder and to adjust Extended Contract expenditures as presented.

MIDDLE TENNESSEE MEDICAL CENTER CONTRIBUTION:

Mr. Sandvig requested approval to amend \$10,000 for a grant from Middle Tennessee Medical Center and the related Coordinated School Health expenditures and to amend \$129,832 in Safe Schools Revenue from the state and those related expenditures as presented.

CLASSIFIED STAFF:

Mr. Sandvig requested approval to amend \$140,894 in budgeted classified staff budget lines and \$25,375 in budgeted benefits to other classified staff expenditures and benefits as presented.

CERTIFIED STAFF:

Mr. Sandvig requested approval to amend \$224,200 in budgeted certified staff budget lines and \$22,400 in budgeted benefits to other certified staff expenditures and benefits as presented.

EMPLOYEE MEDICAL INSURANCE:

Mr. Sandvig requested approval to amend \$704,665 in additional employee medical insurance costs and to reduce staff expenditures by \$600,278 and \$104,387 in related benefits as presented.

RETIREMENT:

Mr. Sandvig requested approval to amend \$435,264 in additional employee retirement expenditures by reallocating \$288,776 from the line item for electricity, \$71,009 from vacant educational assistants and \$75,479 in various other employee benefit accounts as presented.

Comm. Sandlin moved, seconded by Comm. Jordan to approve the General Purpose School Fund budget amendments as requested amending \$114,070 from Career Ladder revenue, account 46610, and to reduce a total of \$114,070 in related expenditures for Career Ladder and to adjust Extended Contract expenditures; to amend \$10,000 for a grant from Middle Tennessee Medical Center and the related Coordinated School Health expenditures and to amend \$129,832 in Safe Schools Revenue from the state and those related expenditures; to amend \$140,894 in budgeted classified staff budget lines and \$25,375 in budgeted benefits to other classified staff expenditures and benefits; to amend \$224,200 in budgeted certified staff budget lines and \$22,400 in budgeted benefits to other certified staff expenditures and benefits; to amend \$704,665 in additional employee medical insurance costs and to reduce staff expenditures by \$600,278 and \$104,387 in related benefits; and to amend \$435,264 in additional employee retirement expenditures by reallocating \$288,776 from the line item for electricity, \$71,009 from vacant educational assistants, and \$75,479 in various other employee benefit accounts.

The motion passed unanimously by roll call vote.

APPROVE ENERGY EFFICIENT SCHOOLS INITIATIVE LOAN AGREEMENT:

Mr. Sandvig advised that the School Board received the State's EESI loan documents on May 20, 2010 for the Excel Energy Lighting Sensors. EESI changed the term of the three percent loan from seven to five years, because the payback was good enough that they wanted the Rutherford County School System to pay off the loan in as short a time as practical. The \$500,000 loan is still at 0% for seven years. This change increases the annual loan payments by approximately \$29,751, but over the life of the loan cuts the interest expense from \$127,279 to \$85,624 for a \$41,655 savings in interest expenditures.

Mr. Sandvig requested approval of the State's EESI loan documents for financing the approved Excel Energy Lighting Sensor project in an amount of \$1,096,035 for a term of three percent for five years.

Mr. Sandvig advised that initially the School Board was going to enter into a lease/purchase with Excel Energy Group until the state documents were ready, but the loan documents were received from the state in time, and therefore, the lease/purchase arrangement was not necessary.

Comm. Bullen moved, seconded by Comm. Jernigan to approve the State's EESI loan documents for financing the approved Excel Energy Lighting Sensor Project for a term of three percent interest for five years, and to authorize the County Mayor and all other appropriate officials of Rutherford County to execute the same. The motion passed unanimously by roll call vote.

EDUCATION CAPITAL PROJECTS FUND BUDGET AMENDMENTS:

Mr. Sandvig requested approval to amend an additional \$23,325 in property tax revenue in the Education Capital Projects Fund, an additional \$1,408 in Trustee's Commission, to adjust \$1,000 between Architects Fees and Maintenance and Repair Services-Buildings, and to increase the Undesignated Fund Balance by \$21,917 as presented.

Comm. Bullen moved, seconded by Comm. Shafer to approve the Education Capital Projects Fund budget amendment to amend an additional \$23,325 in property tax revenue, an additional \$1,408 in Trustee's Commission, to adjust \$1,000 between Architects Fees and Maintenance and Repair Services-Buildings, and to increase the Undesignated Fund Balance by \$21,917. The motion passed unanimously by roll call vote.

APPROVE AMENDMENT ONE TO AGREEMENT WITH TENNESSEE DEPARTMENT OF MENTAL HEALTH & DEVELOPMENTAL DISABILITIES:

Mayor Burgess advised that the County Commission had previously adopted a Resolution authorizing a contract with the Tennessee Department of Mental Health and Development Disabilities for the billing and payment for mental health evaluations and treatment services for defendants charged only with misdemeanors. He requested approval of Amendment One to the contract, which extends the term of the contract to June 30, 2011.

Comm. Jordan moved, seconded by Comm. Jernigan to authorize the County Mayor and any other appropriate officials of Rutherford County to execute Amendment One extending the contract with the Tennessee Department of Mental Health and Developmental Disabilities for the billing and payment of mental health evaluation and treatment services for defendants charged with misdemeanors to June 30, 2011. The motion passed unanimously by roll call vote.

APPROVE LICENSE AGREEMENT WITH TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION:

Mayor Burgess requested approval of a License Agreement with the Tennessee Department of Environment and Conservation to provide the state with approximately 1,560 square feet of office and related space at #1 South Public Square, Room 215, Murfreesboro, Tennessee for the Ground Water Protection staff. The State shall make payment in arrears on the last day of the payment period in an annual amount of \$9,300 with monthly installment payments of \$775.00. The rent payment will be in exchange for the county discontinuing its permitting fee.

Comm. Jordan moved, seconded by Comm. Peay to authorize the County Mayor to execute a License Agreement with the Tennessee Department of Environment and Conservation for the provision of approximately 1,560 square feet of office space located at #1 South Public Square, Room 215, Murfreesboro, Tennessee for the Ground Water Protection staff. The motion passed unanimously by roll call vote.

APPROVE GRANT AGREEMENT WITH THE REGIONAL TRANSPORTATION AUTHORITY FOR THE RELAX AND RIDE PROGRAM:

Chairman Ealy advised of an annual Grant Agreement with the Regional Transportation Authority for the Relax and Ride Program for the period of July 1, 2010 through June 30, 2011. Rutherford County's portion is \$11,557.

Comm. Sandlin moved, seconded by Comm. Jordan to authorize the County Mayor to execute the Grant Agreement with the Regional Transportation Authority for the Relax and Ride Program for the period of

July 1, 2010 through June 30, 2011 in the amount of \$11,557. The motion passed unanimously by roll call vote.

SPECIAL PURPOSE FUND BUDGET AMENDMENTS:

The Finance Director requested approval of 2009-10 revenue adjustments for the Special Purpose Fund with an increase to the Undesignated Fund Balance of \$3,292.

Comm. Peay moved, seconded by Comm. Bullen to approve the 2009-10 revenue adjustments for the Special Purpose Fund with an increase to the Undesignated Fund Balance of \$3,292. The motion passed unanimously by roll call vote.

DRUG CONTROL FUND:

The Finance Director requested approval of 2009-10 revenue adjustments for the Drug Control Fund reflecting reductions to every revenue line item. The total decrease to the Undesignated Fund Balance was \$250,100.

Comm. Jernigan moved, seconded by Comm. Bullen to approve the 2009-10 revenue adjustments for the Drug Control Fund with a total decrease to the Undesignated Fund Balance of \$250,100. The motion passed unanimously by roll call vote.

DEVELOPMENT TAX FUND:

The Finance Director requested approval of 2009-10 revenue adjustments for the Development Tax Fund recognizing the revenue received through May, 2010. The requested increase to Account 125-51900-510, Trustee's Commission, was \$3,000, and the requested increase to Account 125-99100-590, Transfers Out, was \$128,875. The net increase to the Undesignated Fund Balance was \$91,437.

Comm. Sandlin moved, seconded by Comm. Peay to approve the 2009-10 revenue adjustments for the Development Tax Fund with an increase to Account 125-51900-510, Trustee's Commission, of \$3,000, an increase to Account 125-99100-590, Transfers Out, of \$128,875, and a net increase to the Undesignated Fund Balance of \$91,437. The motion passed unanimously by roll call vote.

GENERAL DEBT SERVICE FUND:

The Finance Director requested approval of 2009-10 revenue adjustments for the Debt Service Fund increasing Account 151-51900-510, Trustee's Commission, by \$18,845 and a net increase to the Undesignated Fund Balance of \$651,600.

Comm. Peay moved, seconded by Comm. Shafer to approve the 2009-10 revenue adjustments for the General Debt Service Fund increasing Account 151-51900-510, Trustee's Commission, by \$18,845 and a net increase to the Undesignated Fund Balance of \$651,600. The motion passed unanimously by roll call vote.

The Finance Director requested approval of the following budget amendment to comply with GASB 54 and preparing to close out the Development Tax Fund. The committee previously approved a budget amendment in the General Fund to recognize \$30,000 for Development Tax collections for the month of May. This amendment recognized the second half of the Development Tax collections to be accounted for in the Debt Service Fund:

Increase Revenue:	151-40285 – Development Tax -	\$30,000
Increase Undesignated Fund Balance:	151-39000 -	\$30,000

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the budget amendment as requested increasing revenue Account 151-40285, Development Tax, by \$30,000 and increasing Account 151-39000, Undesignated Fund Balance by \$30,000. The motion passed unanimously by roll call vote.

RESCHEDULE AUGUST BUDGET COMMITTEE MEETING:

The regular August meeting of the Budget & Finance Committee is scheduled for Thursday, August 5, 2010, which is the County General Election. The courthouse will be closed.

Comm. Jordan moved, seconded by Comm. Sandlin to reschedule the August Budget, Finance & Investment Committee from Thursday, August 5, 2010 to Wednesday, August 4, 2010 at 5:30 P.M. The motion passed unanimously by acclamation.

ADJOURNMENT:

Mayor Burgess stated that he appreciated the Budget Committee and the hard work that they do. He stated that he especially wanted the public to know that Rutherford County was very fortunate to have such a qualified staff in the Finance Department led by Mrs. Nolen. He stated that the work, the time, and the professionalism that they put into their office were outstanding, and he appreciated it. He also thanked Chairman Ealy for her leadership through the process.

Chairman Ealy reminded the committee of the public hearing on the 2010-11 budget on Tuesday, June 15 at 7:00 P.M. in the courtroom.

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 7:10 P.M.

Elaine Short, Secretary